



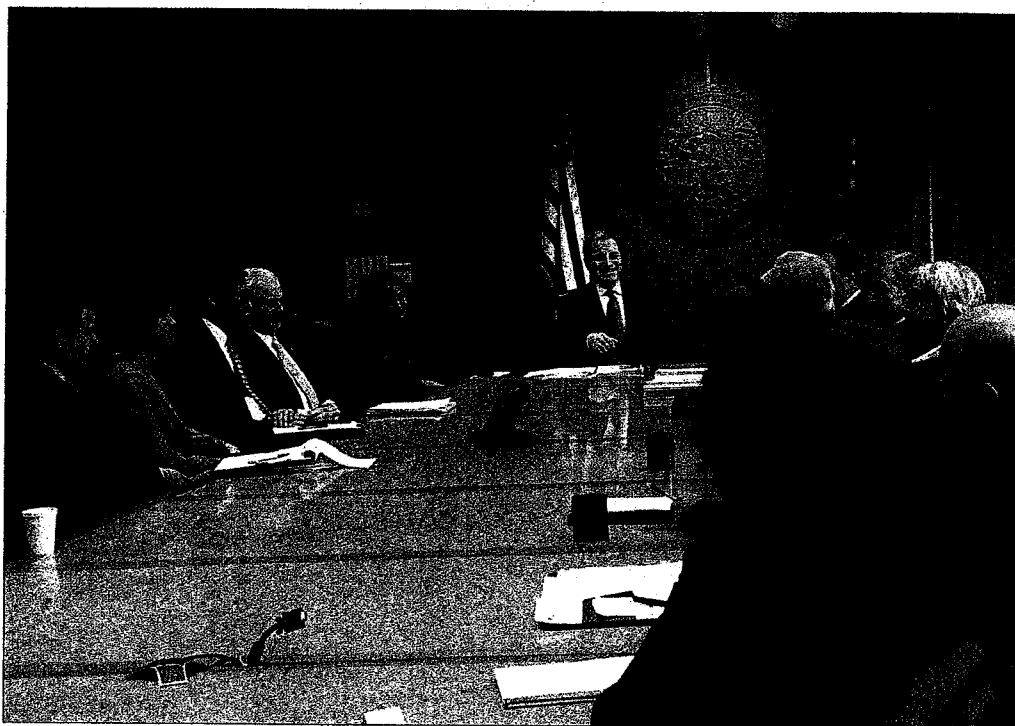
Pacific NorthWest
Economic Region

#2
DATE 3/14/2013
SB 5511

ABOUT PNWER

The Pacific NorthWest Economic Region (PNWER) is a public-private partnership chartered by the states of Alaska, Idaho, Montana, Oregon, and Washington; the western Canadian provinces of Alberta, British Columbia, and Saskatchewan; and Yukon and the Northwest Territories. PNWER is dedicated to encouraging global economic competitiveness and preserving our world-class natural environment. PNWER is recognized by both the United States and Canada federal governments as the "model" for regional and bi-national cooperation because of its proven success. PNWER is a respected voice and resource for our region. It provides the public and private sectors a cross-border forum for unfiltered dialogue that capitalizes upon the synergies between business leaders and elected officials working to advance the region's global competitiveness.

PNWER is the preeminent bi-national advocate for regional state, provincial, and territorial issues



Members of PNWER's capital visit delegation meet with Alaska Governor Sean R. Parnell at the Alaska State Legislature in Juneau on January 19, 2012.

The Region's Future

With over \$1 trillion (USD) in gross regional product, the US Pacific Northwest (Alaska, Idaho, Montana, Oregon, and Washington) and Western Canada (Alberta, British Columbia, the Northwest Territories, Saskatchewan, and Yukon) is one of the fastest growing regions of North America. This region is China's and East Asia's gateway to North America, and is home to several major infrastructure projects and business opportunities. Now, more than ever, the Pacific Northwest needs a bi-national, regional advocate that works with both the public and private sectors.

Public and Private Sector Leadership

PNWER delivers results on regional issues through action plans developed within 20 working groups that correspond to the region's key priorities. Each working group is co-chaired by an industry leader and a government representative. PNWER is a forum for collaborative bi-national planning involving both the public and private sectors and offers leadership at the state/provincial/territorial level in Oregon, Washington, Idaho, Montana, Alaska, Alberta, British Columbia, Saskatchewan, Yukon and Northwest Territories, and at the national level in Washington, D.C. and Ottawa.



Chamber of Commerce

DATE TO REMEMBER

Saturday, Feb. 4
Winter Carnival Parade
3 p.m.
Downtown Whitefish
Call 862-3501 for info

Wednesday, Feb. 8
Chamber Luncheon
"Do Business w/ Canada"
11:30 a.m.
Lodge at Whitefish Lake
Call 862-3501 to RSVP

Thursday, Feb. 16
Gone Fishin' at
Glacier Int'l Airport!
5-7 p.m.
4170 Highway 2 East
Call 862-3501 for info

Monday, February 20
President's Day
City, county, federal and
Chamber offices closed

Thursday, February 23
2012 Chamber Awards
& Installation Banquet
6 to 9 p.m.
Grouse Mountain Lodge
Call 862-3501 to RSVP

Wednesday, March 7
12 @ 12 Luncheon
12 to 1 p.m.
Meet for lunch w/ Chamber
staff & fellow members
Call 862-3501 for info

Newsletter Inserts for
April/May 2012 Issue
530 Inserts due
by Monday, March 26

Feb. 8 luncheon to focus on Canadian market

'Seeing Red' – How you can do more business with Canada!

It's no secret that Canadian visitors – and second homeowners – have played a big part in helping Whitefish keep it's economic head above water ... not only for the last five years, but for the last five *decades*.

Canadians love Whitefish, and we love them, too.

But even so, we've had some challenges to deal with – especially in recent years – with accepting (and converting) Canadian currency, and with accepting their Interac PIN Debit Cards ... the preferred method of payment for many of our friends from north of the border.

There's good news on that front ... but a potential threat is looming on the Rocky Mountain Front!

Competition across the Divide

Now comes news that another Montana community is making a concerted effort to "eat our lunch," as tourism and economic development agencies in Great Falls are working hard to position themselves as the



At last! – Whitefish retailers can now accept Canadian Interac PIN Debit Cards ... see Page 3 for the details!

Gateway to Glacier National Park ... *and* the Canadian Gateway to Montana!

There are lots of things that Whitefish – and the Flathead – can do to protect (and grow) our share of the Canadian market ... but doing nothing simply *isn't* an option!

Charting a 'Canadian Course'

Feb. 8 at the Lodge at Whitefish Lake, the Whitefish Chamber's winter membership luncheon will focus exclusively on what we can do – as individual businesses *and* as a community – to let our Canadian friends know how much we appreciate their business, and to identify ways that we can make doing business with Canada easier ... and more profitable!

The keynote speaker will be University of Lethbridge Economics Professor (and Whitefish second home-owner) Donna Townley. One of Townley's specialties is Canadian Tourism in Montana. In fact, this

Page 2 New Chamber Website on the way

Page 3 Chamber Awards Banquet Feb. 23

Page 4 New Members

Page 5 Ribbon-Cuttings

Page 6 Gone Fishin'!

See SEEING RED, Page 5

THURSDAY

WORLD: N. Koreans mourn fallen leader..... Page C3



Showers

High 43

Low 30

COMPLETE

WEATHER/B6

DAILY INTER LAKE



December 29, 2011

SERVING THE FLATHEAD SINCE 1889 ... www.dailyinterlake.com

75 cents

Program helps Canadian shoppers

By LYNNETTE HINTZE
The Daily Inter Lake

A new initiative called Canada Certified is being launched in the Flathead Valley to allow business owners to accept Canadian debit cards.

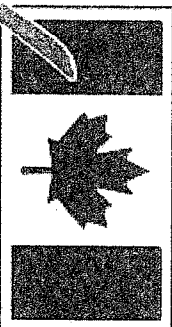
The integrated program, announced Wednesday by NXGEN Payment Services, the Kalispell Chamber of Commerce and The Daily Inter Lake, will enable local businesses to accept Canadian Interac PIN debit cards, print out credit-card transactions in Canadian dollars

and promote participating retailers to consumers in the key Canadian markets of Lethbridge and Cranbrook, according to Deb Coulson, executive director of marketing and strategy for NXGEN. NXGEN, headquartered in Whitefish, offers a number of business services such as

credit card processing. Flathead Valley retailers often have had to ask Canadian customers to pay in cash or with a credit card instead of letting them pay in the way many prefer — the Canadian Interac PIN

See HELPS on Page A3

Canada



Certified

NXGEN

We Accept Canadian Interac PIN Debit Cards

Any retailer eligible for Canada program

HELPS/From A1

Debit Card, Coulson said.

"Interac is the payment choice throughout much of Canada because it is so entrenched with major reward programs," she said. "The truth is, when people can't conveniently pay the way they prefer, the result is often that they choose to spend less than they might otherwise. We owe it to our retailers and our cross-border visitors to take down those hurdles and make it easy."

Canada Certified is one of the first tangible initiatives of the Building Bridges to Canada effort sponsored by Montana West Economic Development and the Whitefish and Kalispell Convention and Visitors bureaus, said Kim Morisaki, manager of client development and resources for Montana West.

"Through our committee work, we are looking to spur initiatives that create win-wins and Canada Certified exemplifies that goal," Morisaki said.

Building Bridges to Canada began in May following a presentation by University of Lethbridge economics instructor Donna Townley that identified the challenges Flathead businesses face in serving Canadian customers.

It's estimated by local economic development leaders that up to 60 percent of retail revenue that flows into the Flathead Valley comes from Canadians.

"Canadian visitors are a large segment of the non-resident travelers that visit the Flathead Valley and as such are very important to our local economy particularly for hotels and retailers," said Diane Medler, director of the Kalispell Convention and Visitors Bureau. "Anything we can

do to make our Canadian visitors feel welcome will serve to increase the number of visits and length of stay."

Retailers who choose to participate in Canada Certified will receive free window decals to display. The decals will signify that a business can accept Interac PIN debit cards, Coulson said.

Participating retailers also will have the opportunity to be part of a special advertising supplement produced by the Daily Inter Lake that will be inserted in the Lethbridge Herald in early February and delivered to 10,000 residents in Cranbrook.

Coulson said social media will be used to promote Canada Certified and further expand consumer awareness and merchant impact in the coming weeks.

Any retailer is eligible to participate in Canada Certified. For details, email bstrodtbeck@nxgen.com or call 730-7649.

For TOP Quality Furniture and Floor Covering...

Buy your flooring from us... Get

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(Furniture and Accessories)



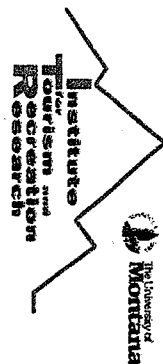
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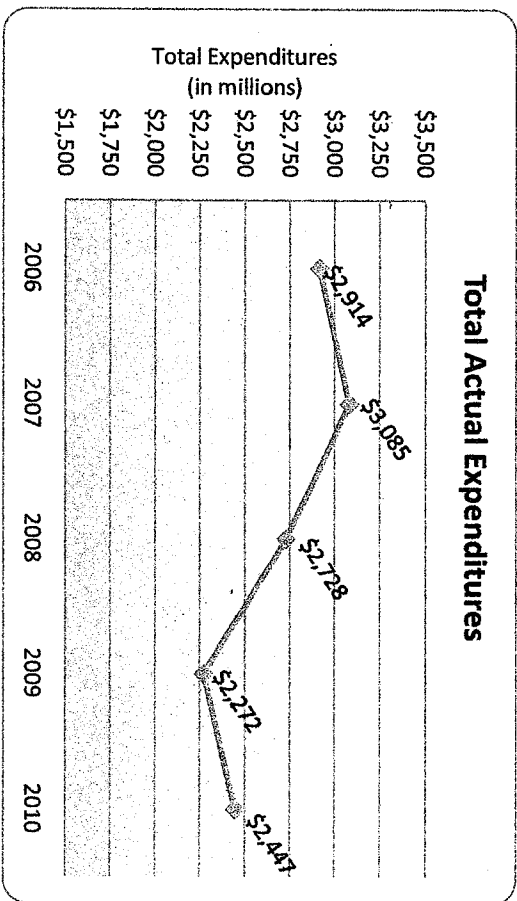
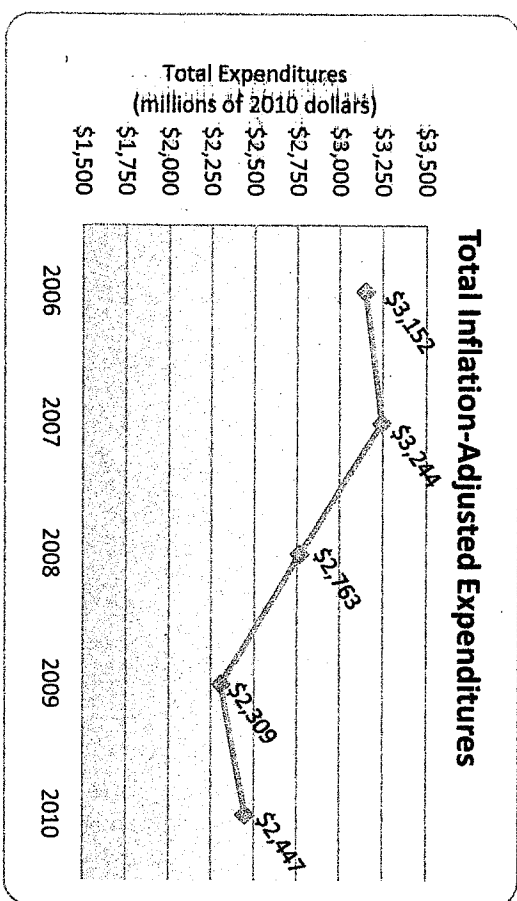
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12/2007/AR



2000-2010 Montana Nonresident Traveler Expenditure Trends

January, 2012
Kara Gray, M.S.



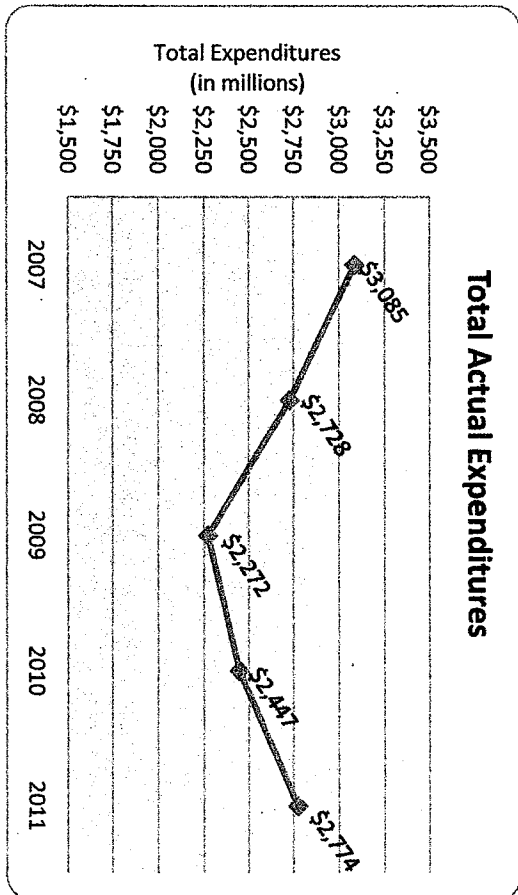
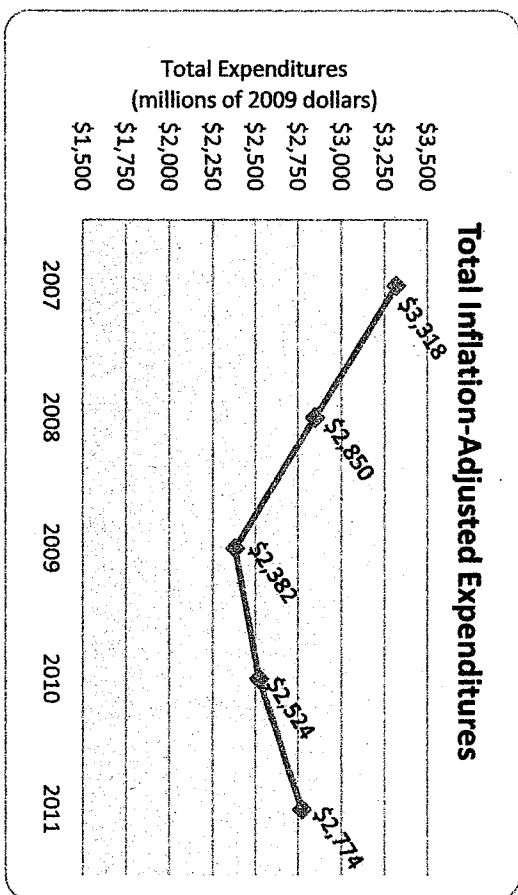
Nonresident Traveler Expenditure Trends											
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Inflation-adjusted Expenditures											
(in millions of 2010 dollars ¹)	\$2,097	\$2,117	\$2,182	\$2,221	\$2,260	\$3,076	\$3,152	\$3,244	\$2,763	\$2,309	\$2,447
% Change from Previous Year	0.4%	1.0%	3.1%	1.8%	1.8%	N/A ³	2.5%	2.9%	-14.8%	-16.4%	6.0%
Total Actual Expenditures (in millions)	\$1,656	\$1,719	\$1,800	\$1,874	\$1,958	\$2,755	\$2,914	\$3,085	\$2,728	\$2,272	\$2,447
% Change from Previous Year	3.8%	3.8%	4.7%	4.1%	4.5%	N/A ³	5.8%	5.9%	-11.6%	-16.7%	7.7%

¹U.S. Dept. of Labor, Bureau of Labor Statistics, Consumer Price Index - All Urban Consumers (CPI-U), 1982-1984=100.

²Data is collected quarterly. Therefore, 2010 year total expenditure is the weighted average of quarterly expenditures.

³Comparison to previous years is not advisable due to changes in model data.

2001-2011 Montana Nonresident Traveler Expenditure Trends



Nonresident Traveler Expenditure Trends											
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 ²	2011 ²
Total Inflation-adjusted Expenditures											
(in millions of 2011 dollars ¹)	\$2,183	\$2,251	\$2,291	\$2,332	\$3,173	\$3,251	\$3,318	\$2,850	\$2,382	\$2,524	\$2,774
% Change from Previous Year	0.9%	3.1%	1.8%	1.8%	N/A ³	2.5%	2.1%	-14.1%	-16.4%	6.0%	9.9%
Total Actual Expenditures (in millions)											
	\$1,719	\$1,800	\$1,874	\$1,958	\$2,755	\$2,914	\$3,085	\$2,728	\$2,272	\$2,447	\$2,774
% Change from Previous Year	3.8%	4.7%	4.1%	4.5%	N/A ³	5.8%	5.9%	-11.6%	-16.7%	7.7%	13.4%

¹U.S. Dept. of Labor, Bureau of Labor Statistics, Consumer Price Index - All Urban Consumers (CPI-U), 1982-1984=100.

²Data is collected quarterly. Therefore, year total expenditure is the weighted average of quarterly expenditures.

³Comparison to previous years is not advisable due to changes in model data.

Counting on Canada

Emerging from recession, Flathead businesses capitalize on visitors from the north

By MYERS REECE *of the Beacon*

WHITEFISH - From Great Falls to the Flathead Valley, Canadians are flocking to northern Montana in search of lower prices for goods, entertainment and even housing, all at a favorable exchange rate. These visitors, riding high from an oil boom back home, are being welcomed with open arms by a Montana business community that's still trying to emerge from the recession.

In the Flathead, nowhere is the influence of Canadian money more apparent than in Whitefish, where its ripple effect is seen throughout the economy, including the

real estate market. Canadians are building and buying second homes in the Whitefish area, providing much of the momentum behind a market that is stabilizing quicker than in surrounding areas. Driving through town, don't be surprised to see an occasional Canadian flag rippling in the wind.

Donna Townley, an economics professor at the University of Lethbridge, was the keynote speaker at a Feb. 8 Whitefish Chamber of Commerce luncheon entitled "Doing Business with Canadians." Business leaders from around the community listened to Townley followed by

a panel consisting of Deb Coulson from the payment-processing company NXGEN, Glacier Bank Whitefish branch President Lin Akey and The Toggery owner Trek Stephens.

Townley, who owns a second home in Whitefish, said conditions are ripe for attracting Albertan consumers because the province is flush with oil money and the exchange rate is favorable. She noted that Canada has a "commodity currency," meaning the strength of the

See **Canada**, page 17

From Anywhere. At Any time.

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FEBRUARY 15, 2012 | 2

Canada: economy

Continued from front page

country's dollar is tied to commodities and its foremost commodity is oil.

"What you have to do is figure out how to get that money here," Townley told the crowd.

At the luncheon, Coulson discussed a new program spearheaded by NXGEN called "Canadian Certified," which encourages retailers to make adjustments in their credit card capabilities that allow them to accept Canadian Interac PIN debit cards. The program is considered a breakthrough for retailers and fits in with a larger overall effort to welcome more Canadians to the valley.

One major component of this effort is marketing and promotion, through advertising in media sources in Albertan urban centers such as Lethbridge and, increasingly, Calgary. But the effort also includes less obvious but, according to Townley, important gestures that make Canadians feel like they're home when they visit the valley, like flying their country's flag.

"Canadian flags are very welcoming," Townley said, adding: "We feel this is our second home."

Though Townley's comments were specifically directed at Whitefish, her sentiments ring true for other parts of the Flathead Valley. Diane Medler, director of the Kalispell Convention and Visitor Bureau, said the same principles discussed at the Whitefish Chamber of Commerce event are on the radar of Kalispell businesses, including the Canadian Certified debit card program and raising Canadian flags.

"We've increased our awareness of the importance of being inviting," Medler said, noting that even small gestures "may be the deciding factor in whether they choose here or Great Falls."

A case in point, as described by The Toggery's Stephens, is accepting Canadian debit cards. Visitors from Alberta are able to purchase something at a local store regardless of whether their debit cards are accepted, since they can use credit cards or withdraw money from an ATM, but it's an inconvenience they may remember and tell friends about. Townley also said Canadians prefer debit cards over credit cards.

"It's more about the relationship at



Pedestrians walk past an American flag and Canadian flag hung from the Crystal Winters store front on Central Avenue in downtown Whitefish.

Lido Vizzutti/Flathead Beacon

Calgary.

In a later interview, she said bed tax collections could be used to fund the office, perhaps instead of the state's trade offices in Asia, though she would like to hear from the public and business community. Brown is holding a public meeting at 6:30 p.m. on April 17 at Grouse Mountain Lodge to discuss the idea.

Brown said in the last five years "Canadian business has been growing and growing," and she would like to ensure that Montana is capitalizing on those business opportunities as much as possible.

"If our economy needs a shot in the arm, I think this is one way we can help," Brown said. "It's not just tourism. We're all feeling that Canadian oil boom and we should take advantage of it while it's hot."

Donna Townley will also be speaking at a Kalispell Chamber of Commerce luncheon on Feb. 21. For more information, call (406) 758-2800.

high advertising costs. She sees Calgary as an "emerging market," adding that British Columbia can be another target area.

In addition to paid advertising in traditional media sources, Medler said her organization takes advantage of social media and e-newsletter marketing. Local tourism officials also attend consumer shows in Alberta, Medler said, and work directly with tourism entities there such as the airport and mall.

Medler, offering a piece of anecdotal evidence of Canadians' impact on the local economy, said during Black Friday some of Kalispell's hotels reported that 75 percent of their guests were from north of the border. Medler noted that the Montana Office of Tourism's "Get Lost" marketing campaign is increasing its efforts in Canada.

At the Whitefish chamber event, Dee Brown, who owns the Canyon RV Campground & Cabins in Hungry Horse and is running for state senate, raised the idea of creating a Montana trade office in

the register," Stephens said. "It's the feeling that's created there."

Goods are more expensive in Canada, Townley said, in part due to taxes, making Flathead Valley stores attractive to the northern neighbors. The same can be said for nightlife and various forms of entertainment, including skiing. In her presentation, Townley noted the higher beer prices in Alberta as well as higher-priced ski resorts.

Townley says it's incumbent upon Flathead businesses to advertise their lower prices, promoting the valley as both a shopping and entertainment destination. One concern, however, raised at the luncheon is the high cost of advertising in Calgary, where the economy is robust and the median household income is far higher than in the Flathead.

Medler said a valley-wide cooperative has been formed that will help local tourism organizations "leverage our dollars," with an eye on addressing the issue of Calgary's

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OPINION

Trade office worth exploring

It is odd that the state of Montana since 1984 has had a trade office in Taipei, Taiwan, yet the state has never had a presence in Alberta or Canada, our top trading partner to the north.

That's why Dee Brown, a Hungry Horse businesswoman and legislative candidate, has taken on the worthy cause of exploring whether a Montana trade center in Calgary would pay off for the state.

Alberta has a fancy tourism center located in West Glacier, but Brown envisions a more modest presence in Calgary that would focus on getting Montana products into Canada rather than on tourism.

Judging from the number of Alberta license plates roaming around

Inter Lake editorial

the Flathead Valley, it's obvious our neighbors to the north are well aware of Montana in the tourism sense. But for Montana businesses to get into Alberta markets may be an entirely different beneficial matter.

Of course, the devil is in the details. A trade office would have to produce results, and Brown acknowledges that legislation to establish it should include a provision to sunset the venture if it does not have verifiable value for the state.

Gov. Brian Schweitzer suggested that maybe a trade mission is a concept better suited for private enti-

ties, such as area chambers of commerce. And he may be right. Maybe a private consortium could even do a better job.

Brown, however, believes that a small share of state bed tax revenue would be a valid source of funding for a trade center in Calgary. It would kind of be like using Canadian money (from tourism) to help us hook Canadians on Montana products. That sounds like a win-win.

Schweitzer recently scaled back the Montana trade office in Taiwan, but for years the state was spending \$175,000 a year on it, with questionable results. Establishing a trade presence in Calgary sure seems like a more logical pursuit. Let's see where this goes.

Global warming not political? Think again

By MARK AGATHER

When will Eric Grimsrud stop flogging us with his global warming dogma? His over-inflated opinion of himself and his background is tiresome as is

Guest Opinion

his use of derogatory language which continues to be both childish and immature. Eric references Hitler so often but

yet he apparently is not aware he emulates him when he continues to try to stifle honest debate by use of such tactics.

The opposition to the global-

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Chamber Unveils 2012 Agenda

The Kalispell economy is improving - but too slowly, weakly, and insufficiently to put our region back to work. In 2012, the Kalispell Chamber's policy agenda will focus on action that will accelerate economic expansion, job creation, and competitiveness in the global economy. Our agenda will focus on six areas:

Expand Trade and Tourism. With Kalispell hotel occupancies up seven percent in 2011, tourism is a bright spot in our regional economy and the largest job creator over the past year. The Chamber will launch the second year of a 5-year, \$3.0 million campaign to promote Kalispell as a premier visitor and meeting destination. Expansion of trade and visitation with Canada, which contains a market of 1.5 million people just north of the border, is also high on the Chamber's jobs agenda.

Advance Pro-growth Legislation and Regulatory Reform. In Montana's 62nd Legislative Session, the Legislature achieved workman's compensation reform resulting in a 20 percent average state-wide decrease in rates and also a reduction of the business equipment tax. However, that 20 percent decrease only moved Montana from the worst to the fifth worst rates in the nation, so there is still much work to do. Locally, the City Council started this year with a repeal of transportation impact fees, making a strong statement that it will take the steps necessary to re-energize the construction economy and grow employment. The Chamber will push to eliminate overreaching regulations that drive up the costs of job creators and make it harder to hire new employees and invest in our community.

Drive Innovation Agenda. Our area features innovation companies in energy, semiconductor equipment manufacturing, small arms manufacturing, unmanned aerial vehicles, and much more. Our innovation agenda requires advanced capabilities at our community college and a strong K-12 education system. The Chamber will support these high growth industries through advocacy and Business Expansion and Retention resources. The Chamber will also make a priority of its work with second-stage businesses – those with 10-99 employees and \$1 million+ in sales. This group of Montana businesses has an outsized impact on job creation because they have 39 percent of the jobs in the state while comprising just eight percent of the business establishments.

Build Transportation and Infrastructure. As we enter 2012, Allegiant Air has just announced non-stop service to the San Francisco Bay Area and work is well underway for the Hutton Ranch Connector roadway. The Chamber will press for the completion of the Kalispell Alternative Route and for the expansion of the commercial air service network. Favorable renewal of surface transportation funding legislation that expires in March and investment in broadband infrastructure are also top Chamber priorities.

Develop our Resources Responsibly. The recent announcement of a power purchase agreement between FH Stoltze Land and Lumber Company and Flathead Electric Cooperative for a 2.5 megawatt cogeneration facility is an encouraging sign for the development of a Northwest Montana renewable energy industry based on woody-biomass. The Chamber will continue its call for responsible development of our natural resources to create good paying jobs and tax revenue for schools and government services.

Increase Member Value. The Chamber will create new benefits that will add value and drive business to our members. The Chamber will add a mobile web application to the Kalispell Chamber and the Convention and Visitor Bureau web sites which will result new customers for members.